



## **OPERATIONAL NOTICE**

No. 2020 – M37

March 27, 2020

### **New Covid-19 Discretionary Initial Margin Requirement**

CDCC continuously monitors the sufficiency of Base Initial Margin. The recently observed frequent and sizable movements in market prices require CDCC to recalibrate Initial Margin requirements.

Effective Monday, March 30th, 2020, under authority of Rule A-702 CDCC will implement a discretionary Initial Margin requirement. It will be collected daily in the Afternoon Intra-Day Margin Calculation & Notification at 12:45 p.m. and reported in the MS06 report under 'Discretionary Call'. This discretionary Initial Margin requirement will be equal to 15% of each Clearing Member's Base Initial Margin requirement as of 10:30a.m. each day and will remain in effect for an indefinite period.

For any further information, please contact the Risk Management Department at (514) 871-3505.

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